

SENATE BILL NO. 666

BY SENATOR HEBERT

1 AN ACT

2 To amend and reenact R.S. 22:243(D)(1) and 251, relative to health maintenance
3 organizations; to provide with respect to the filing of articles of incorporation of
4 health maintenance organizations in the office of the secretary of state; to provide for
5 the retention of original records; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 22:243(D)(1) and 251 are hereby amended and reenacted to read as
8 follows:

9 §243. Incorporation

10 * * *

11 D.(1) After the payment of all fees owed to the Department of Insurance, the
12 articles showing the approval of the commissioner shall be filed in the office of the
13 secretary of state ~~by the commissioner~~ together with an initial report, as prescribed
14 by R.S. 12:101. If the first directors are not named in the articles of incorporation and
15 the initial report, a supplemental report, setting forth their names and addresses, and
16 signed by each incorporator or by any shareholder, shall be filed with the secretary
17 of state and filed for record as provided by Paragraph (4) of this Subsection as soon
18 as they have been selected.

19 * * *

20 §251. Books and records of health maintenance organizations

1 A. Every health maintenance organization shall maintain the books and
2 records relating to activities conducted in the state in its offices within the state
3 pursuant to the provisions of this Subpart. Such health maintenance organization
4 may cause any or all such books, records, documents, accounts, and vouchers
5 to be photographed or reproduced on film. Any such photographs,
6 microphotographs, optical imaging, or film reproductions of any original books,
7 records, documents, accounts, and vouchers shall for all purposes be considered
8 the same as the originals thereof and a transcript, exemplification, or certified
9 copy of any such photograph, microphotograph, optical imaging, or film
10 reproduction shall for all purposes be deemed to be a transcript,
11 exemplification, or certified copy of the original. Any original so reproduced
12 may thereafter be disposed of or destroyed, as provided for in Subsection B of
13 this Section, if provision is made for preserving and examining such
14 reproductions.

15 B. All such original books, records, documents, accounts, and vouchers,
16 or such reproductions thereof, shall be preserved and kept available in this state
17 for the purpose of examination and until authority to destroy or otherwise
18 dispose of such records is secured from the commissioner. At a minimum all
19 such original records shall be maintained for the period commencing on the
20 first day following the last period examined by the commissioner through the
21 subsequent examination period, or five years, whichever is greater. Such
22 original records may, however, be kept and maintained outside this state if,
23 according to a plan adopted by the company's board of directors and approved
24 by the commissioner, it maintains suitable records in lieu thereof.

25 ~~B. C.~~ If books and records, ~~other than those required by Subsection A of this~~
26 ~~Section, to be located in the state,~~ are located outside the state, the health
27 maintenance organization shall make the records and books available to the
28 commissioner at a location within this state or pay reasonable and necessary
29 expenses for the commissioner or his representative to examine them at the place
30 where the records and books are maintained. The commissioner may designate

1 representatives, including comparable officials of the state in which the records are
2 located, to inspect the books and records on behalf of the commissioner.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____